

**CITY/COUNTY ASSOCIATION OF GOVERNMENTS  
LEGISLATIVE COMMITTEE**

**MINUTES  
MEETING OF NOVEMBER 11, 2004**

At 5:08 p.m. Vice-Chair Sue Lempert called the meeting to order in the Fourth Floor Dining Room at the San Mateo Transit District Office.

Members Attending: Vice-Chair Sue Lempert, Deborah Gordon, Marc Hershman, Irene O'Connell, Jim Vreeland, and Deborah Wilder.

Staff/ Guests Attending: Richard Napier (C/CAG Executive Director), Brian Moura (City of San Carlos), David Burruto (Speaker Pro Tem Leland Yee's Office), Walter Martone (C/CAG Staff), Ross Nakasone (County Manager's Office), Charles Cole and Wes Lujan (Advocation).

**1. Public comment on items not on the agenda.**

- None

**2. Minutes of the Meeting of August 12, 2004.**

*Motion: To approve the minutes of September 9, 2004 as presented.  
Gordon/Hershman, unanimous.*

**3. Update from C/CAG's Lobbyist in Sacramento (in person).**

- This last year in the Legislature produced some very interesting results. Due to the inability of the Legislature to address some very important matters, there were a large number of items that appeared on the November 2004 ballot as Initiatives.
- Virtually every incumbent was reelected, likely due to the partisan structure of most of the Districts. This has given rise to discussions about some form of reapportionment that may be brought to the voters.
- The Assembly remains that exact composition as before the election – 48 Democrats and 32 Republicans. The Senate remains the same with 25 Democrats and 15 Republicans.
- The "Big 5" (Governor plus the leadership in both the Assembly and Senate) are all brand new due to term limits. More junior members have been selected for these leadership positions likely so that they will have a longer tenure than the more senior Legislators who will be termed out. Fabio Nunez was selected as the Speaker of the Assembly after only 14 months of holding State office. Kevin McCarthy was selected as the Minority Leader also after only 14 months of tenure.
- In the Senate Don Perata became the Leader after a hotly contested election.

- Of the 40 Senate seats, 20 were up for election this year and the outcome included 10 new individuals joining the Senate.
- In the Assembly there were 24 new individuals joining.
- A significant number of the new Senate and Assembly Members have local government experience. Hopefully this will bode well for issues such as ACA 10 that have enormous financial ramifications for local governments.
- C/CAG has amazing success with getting its bill (AB 1546) passed by the Legislature and signed by the Governor. The efforts of C/CAG members and staff in getting broad based local support for this bill was very instrumental in its success. Also the linkage in the bill to the hydrogen highway concept played very well in the Governor's Office.
- Many other organizations attempted similar measures but were not successful. They did not have the strong local support that C/CAG was able to generate.
- Based on comments from some insiders in the Governor's Office, the strong local support was very persuasive even though the Governor continues to strongly oppose any new taxes.
- The merits of AB 1546 were very strong as evidenced by feedback from individual Legislators. However due the party platforms on new taxes, it was impossible to gain any Republican support in the Legislature. It was also difficult for some Democrats to support the bill; however the strong local support was very powerful.
- Things on the horizon that Advocation will be watching closely for C/CAG and representing its views include:
  - Resolution of the cost overruns for the construction of the new Bay Bridge.
  - Resolution of the San Pablo gaming compact. There is significant opposition to this proposal in the Bay Area.
  - There are fewer moderates in the Legislature; therefore it will be even more difficult to find the swing votes for issues such as ACA 10.
  - Energy policy will again become an issue. New power plants are not coming on line as quickly as hoped and shortages are likely.
  - The State budget will likely have another deficit next year of up to six billion dollars.
  - The Governor was extremely successful in the last election in passing and defeating Initiatives. It is possible that he will attempt more Initiatives in the future – for example to restructure the Government based on some of the recommendations from the Performance Review that he commissioned.
  - There is discussion about turning over some State roads to local governments without providing any resources for maintenance.
  - Even though State revenues are currently higher than projected, there is still a big gap to close with the deficit. Until revenues and expenditures are brought into alignment, it is likely that we will continue to see transportation funds siphoned off to balance the budget.
  - The California Teachers' Association will likely try to get the same guarantees as local governments got under Proposition 1A by proposing a

split-roll property tax Constitutional Amendment. Others are likely to try this same strategy.

- A number of people in Sacramento are beginning to raise the issue of local government officials' compensation packages being excessive.
- The Governor's staff is looking at water policy and the potential of dismantling the Hetch-Hetchy Dam and reservoir to restore the valley. They recognize that any change in the Hetch-Hetchy water system cannot be done if it will negatively impact the supply of water to the Bay Area. There is also the impact that this issues would have on the production of hydroelectric energy during a time where a new energy crisis is expected.
- Additional priorities that C/CAG may want to consider are other ways to support the financial needs of local governments. Arne Croce (City Manager – San Mateo) has put together a list of recommendations for consideration.

#### **4. Review and approval of Legislative score sheet for Advocacy and Legislators.**

Staff applied the same methodology used last year to tally the votes of the State Legislators representing jurisdictions in San Mateo County. Also included is a listing of the various bills that C/CAG took positions on and how each of the Legislators voted. It was noted that this score does not include the positions that each of the Legislators took on the various bills that together made up the budget package and the Constitutional Amendment that protected local government resources. Staff was requested to review the voting records giving consideration to the positions taken by these Legislators on these budget items (particularly Propositions 65 and 1A).

The Advocacy score sheet also includes subjective criteria developed by staff and unsolicited feedback from other individuals. Specifically Assemblyman Simitan commented that Advocacy was an excellent partner working on AB 1546 and was extremely responsive to his requests. Rebecca Elliot from the League noted that Advocacy was very helpful in working with the League on the passage of the bills protecting local government resources.

***Motion: To recommend that C/CAG approve the Legislative score sheet for Advocacy. O'Connell/Gordon, unanimous.***

#### **5. Review and approval of the C/CAG Board State Legislative Priorities for the 2005 State Legislative Session.**

The list of priorities included in the Committee packet represent past priorities that are still relevant and new ideas that have surfaced over the past year (for example congestion pricing on the Dumbarton Bridge). The items are not listed in any order of priority except for the first item (ACA 10), which is recommended to be the top priority. The following is a summary of the discussion on this item:

- The issue of local self-help is becoming more and more important, and even though San Mateo County has already reauthorized its transportation sales tax program, there may be other special tax programs that will be needed. Consideration should be given to supporting legislation that changes the two-thirds requirement for special taxes to a simple majority and makes the simple majority requirement for general taxes be a two-thirds requirement.
- Item # 4 – trading of housing funds is not supported by a number of jurisdictions such as Foster City and San Mateo. Large cities do not want to be considered as the location for smaller cities to meet their low and moderate income housing requirement by just contributing funds. The question was raised whether C/CAG should actively support legislation that gives jurisdictions the option of doing these trades, or should C/CAG not be active on this matter and simply not oppose such legislation and let other jurisdictions do the advocating for this issue. This concept may already be covered under bullet 4 in this item.
- Consideration should be given to supporting legislation that deals with Total Maximum Daily Loads (TMDLs) under the NPDES Program and the impacts that it will have on water bodies and water shed areas. Look for ways that homeowners can be required to address this problem through the development of a demonstration program. It was suggested that the NPDES TAC look further into this issue. There may also be an opportunity to talk with some of the new individuals in the Governor's Administration about reducing some requirements as a boost to the economy.
- The Bay Bridge should be added to the list to ensure that the costs are fairly apportioned and not levied all on the Bay Area. Also the Bridge must be completed due to the major safety issue.
- There should be some place holder bills that possibly could be used for:
  - Helping local governments with impending financial crises. A number of suggestions were included in a letter from Arne Croce, City Manager, City of San Mateo.
  - Developing alternative energy demonstration/incentive projects for San Mateo County jurisdictions (i.e. Green Buildings, Green Businesses, and water reclamation demonstrations/financial incentives). This idea will likely have appeal for some of our State Legislators and the Governor. C/CAG might also consider sponsoring a seminar on this subject and invite members of the Governor's Administration to attend. This might result in the Administration taking the leadership in sponsoring some programs. Consideration should also be given to having bonuses under the TOD program for green buildings.

***Motion: To have C/CAG staff add these suggestions to the list of priorities for consideration by the Legislative Committee at its December 9<sup>th</sup> meeting.  
Wilder/Vreeland, unanimous.***

It was also requested that the Legislative Committee be provided with a list of the new State Legislators. We should start planning our strategy for which ones to approach for

support on ACA 10. Assemblyman Gene Mullen has indicated in interest in carrying this bill.

**6. Review and approval of the program definition for AB 1546 – Environmental/Transportation Pilot Program.**

This item is a very preliminary program for the implementation of AB 1546 and calls for dividing the revenues equally among the Congestion Management and NPDES programs. The Congestion Management Program TAC and the NPDES TAC will both be requested to use these rough guidelines to develop a more detailed program.

***Motion: To recommend that C/CAG approve the program definition for AB 1546 as presented. O’Connell/Vreeland, unanimous.***

**7. Approval of Resolution 04-28 authorizing the C/CAG Chair to execute an amendment to the agreement with Advocation, Inc. to provide lobbying services during the 2005 Legislative Session for an additive amount of \$72,000.**

This amendment will increase the annual amount for this service by \$12,000.

***Motion: To recommend that C/CAG approve the amendment to the agreement with Advocation as presented. Wilder/O’Connell, unanimous.***

**8. Establish date and time for next meeting (December 9, 2004).**

The next meeting was set for December 9, 2004 at 5:00 p.m. at the Fourth Floor Dining Room at the San Mateo County Transit District Office.

**9. Adjournment.**

The meeting was adjourned at 6:34 p.m.